

MALAHAT FIRST NATION

CONSOLIDATED FINANCIAL STATEMENTS
MARCH 31, 2017

MALAHAT FIRST NATION

CONSOLIDATED FINANCIAL STATEMENTS MARCH 31, 2017

Page

MANAGEMENT'S RESPONSIBILITY FOR FINANCIAL REPORTING

INDEPENDENT AUDITOR'S REPORT

FINANCIAL STATEMENTS

Consolidated Statement of Financial Position	1
Consolidated Statement of Change in Net Debt	2
Consolidated Statement of Revenue, Expenses and Accumulated Surplus	3
Consolidated Statement of Cash Flows	4
Notes to Consolidated Financial Statements	5 - 26

MALAHAT FIRST NATION

MANAGEMENT'S RESPONSIBILITY FOR FINANCIAL REPORTING MARCH 31, 2017

The accompanying consolidated financial statements of Malahat First Nation are the responsibility of management and have been approved by the Chief and Council.

The consolidated financial statements have been prepared by management in accordance with Canadian public sector accounting standards prescribed for governments as recommended by the Public Sector Accounting Board of CPA Canada and as such include amounts that are the best estimates and judgments of management.

Management is responsible for the integrity and objectivity of these statements and for implementing and maintaining a system of internal controls to provide reasonable assurance that reliable financial information is produced.

The Chief and Council is responsible for ensuring that management fulfills its responsibilities for financial reporting and internal control and is ultimately responsible for reviewing and approving the consolidated financial statements.

The Chief and Council meets periodically with management, as well as the external auditors, to discuss internal controls over the financial reporting process, auditing matters and financial reporting issues, to satisfy themselves that each party is properly discharging their responsibilities, and to review the consolidated financial statements and the external auditor's report.

The external auditors, Reid Hurst Nagy Inc., conduct an independent examination, in accordance with Canadian auditing standards, and express their opinion on the consolidated financial statements. The external auditors have full and free access to financial management of Malahat First Nation and meet when required.

On behalf of Malahat First Nation:

maxine Hanny
Chief

July 26th 2017
Date

Matt Hanny
Councillor

July 26 / 2017
Date

[Signature]
Councillor

July 26 2017
Date

[Signature]
Councillor

JULY 26 2017
Date

Independent Auditor's Report

To the Members of
Malahat First Nation

Report on the Consolidated Financial Statements

We have audited the accompanying consolidated financial statements of Malahat First Nation, which comprise the consolidated statement of financial position as at March 31, 2017, and the consolidated statements of revenue, expenses and accumulated surplus, change in net debt, cash flows and the related schedules for the year then ended, and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Consolidated Financial Statements

Management is responsible for the preparation and fair presentation of these consolidated financial statements in accordance with Canadian public sector accounting standards, and for such internal control as management determines is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

Auditors' Responsibility

Our responsibility is to express an opinion on these consolidated financial statements based on our audit. We conducted our audit in accordance with Canadian generally accepted auditing standards. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the consolidated financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the consolidated financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the First Nation's preparation and fair presentation of the consolidated financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the First Nation's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the consolidated financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our qualified audit opinion.

Basis for Qualified Opinion

Malahat First Nation holds investment in Government Business Enterprises and Government Business Partnerships. We were unable to satisfy ourselves as to the carrying value of these investments because financial statements of these entities have not been audited since incorporation. Consequently, we were not able to determine whether any adjustments might be necessary to the investment in Government Business Enterprises and Government Business Partnerships and the net income (loss) from Government Business Enterprises and Government Business Partnerships.

Qualified opinion

In our opinion, except for the effects of the matter described in the Basis for Qualified Opinion paragraph, present fairly, in all material respects, the financial position of the Malahat First Nation as at March 31, 2017 and the results of its operations, the changes in its net debt and its cash flows for the year then ended in accordance with Canadian public sector accounting standards.

Reid Hurst Nagy Inc.

REID HURST NAGY INC.
CHARTERED PROFESSIONAL ACCOUNTANTS

Vancouver, B.C.
July 28, 2017





MALAHAT FIRST NATION

CONSOLIDATED STATEMENT OF FINANCIAL POSITION AS AT MARCH 31, 2017

	2017	2016
	\$	\$
FINANCIAL ASSETS		
Cash and cash equivalents (Note 2)	2,632,234	555,340
Temporary investments (Note 3)	358,894	658,304
Accounts receivable (Note 4)	1,541,457	1,435,657
Note receivable (Note 5)	15,162,901	15,522,282
Due from related entities (Note 6)	243,355	203,396
Investment in Government Business Enterprises (Note 7)	49,383	(77,533)
Investment in Government Business Partnerships (Note 8)	(42,018)	(42,018)
Federal trust funds (Note 9)	490,441	490,184
	20,436,647	18,745,612
LIABILITIES		
Accounts payable and accrued liabilities (Note 10)	559,263	540,296
Deferred revenue (Note 11)	1,283,196	880,341
Due to related entities (Note 12)	2,218,996	853,680
Long-term debt (Note 13)	1,333,461	1,320,215
Promissory notes (Note 14)	15,838,277	16,235,433
	21,233,193	19,829,965
NET DEBT	(796,546)	(1,084,353)
NON-FINANCIAL ASSETS		
Tangible capital assets (Note 16)	3,571,689	3,066,448
Prepaid expenses	31,141	106,876
	3,602,830	3,173,324
ACCUMULATED SURPLUS	2,806,284	2,088,971

Contingencies (Note 22)

APPROVED ON BEHALF OF THE MALAHAT FIRST NATION

 Chief
 Councillor
 Councillor
 Councillor

The accompanying notes are an integral part of the financial statements

MALAHAT FIRST NATION

CONSOLIDATED STATEMENT OF CHANGE IN NET DEBT FOR THE YEAR ENDED MARCH 31, 2017

	2017	2016
	\$	\$
ANNUAL SURPLUS (DEFICIT)	717,313	(973,304)
Acquisition of tangible capital assets	(723,851)	(458,858)
Amortization of tangible capital assets	217,510	157,769
Disposition of net tangible capital assets	1,100	-
	(505,241)	(301,089)
Acquisition of prepaid asset	(31,141)	(106,876)
Use of prepaid asset	106,876	30,086
	75,735	(76,790)
INCREASE (DECREASE) IN NET FINANCIAL ASSETS	287,807	(1,351,183)
NET FINANCIAL ASSETS (DEBT), BEGINNING OF YEAR	(1,084,353)	266,830
NET DEBT, END OF YEAR	(796,546)	(1,084,353)

The accompanying notes are an integral part of the financial statements

MALAHAT FIRST NATION

CONSOLIDATED SUMMARY STATEMENT OF REVENUE, EXPENSES AND ACCUMULATED SURPLUS FOR THE YEAR ENDED MARCH 31, 2017

	2017 Budget	2017 Actual	2016 Actual
	\$	\$	\$
REVENUE			
Indigenous and Northern Affairs Canada	1,839,171	1,839,171	1,720,858
INAC - Reimbursement (Recovery)	-	-	(61,985)
Canada Mortgage and Housing Corporation	-	196,311	44,386
Department of Justice Canada	-	-	10,000
Fisheries and Oceans Canada	-	50,880	40,392
First Nation Health Authority	8,343	9,343	9,908
Natural Resources Canada	-	6,750	-
Ottawa Trust Fund	-	19,676	167,160
Province of BC	185,000	268,784	55,000
Funding from First Nation Organizations	111,145	203,200	273,422
Net income from Government Business Enterprises	-	126,916	(233,193)
Net income from Government Business Partnership	-	-	(177,994)
Gain on disposal of tangible capital assets	-	1,548	-
Other Revenue	116,000	2,916,526	1,633,997
Rental income	-	92,472	81,298
Deferred revenue - prior year	-	880,341	364,848
Deferred revenue - current year	-	(1,283,196)	(880,341)
	2,259,659	5,328,722	3,047,756
EXPENSES			
Indian Government Services	717,359	643,513	1,074,906
Health	8,343	8,343	7,908
Housing	-	1,003,773	186,919
Education, Employment and Training	218,801	876,122	758,262
Social Development	280,335	189,846	334,541
Economic Development	37,000	1,391,944	1,127,281
Community Infrastructure	209,400	466,059	369,561
Ottawa Trust Fund	-	9,709	155,843
Housing Reserves	-	22,100	5,839
	1,471,238	4,611,409	4,021,060
ANNUAL SURPLUS (DEFICIT)	788,421	717,313	(973,304)
ACCUMULATED SURPLUS, BEGINNING OF YEAR	-	2,088,971	3,062,275
ACCUMULATED SURPLUS, END OF YEAR	788,421	2,806,284	2,088,971

The accompanying notes are an integral part of the financial statements

MALAHAT FIRST NATION

CONSOLIDATED STATEMENT OF CASH FLOWS FOR THE YEAR ENDED MARCH 31, 2017

	2017	2016
	\$	\$
OPERATING ACTIVITIES		
Annual surplus (deficit)	717,313	(973,304)
Items not affecting cash		
Amortization	217,510	157,769
Gain on disposal of tangible capital assets	(1,548)	-
	933,275	(815,535)
Change in non-cash items on statement of financial position		
Accounts receivable	(105,800)	(905,360)
Prepaid expenses	75,735	(76,789)
Accounts payable and accrued liabilities	18,967	199,101
Deferred revenue	402,855	467,677
Federal trust fund	(257)	144,525
Investment in Government Business Enterprises	(126,916)	243,193
Investment in Government Business Partnerships	-	177,994
	1,197,859	(565,194)
CAPITAL ACTIVITIES		
Acquisition of tangible capital assets	(723,851)	(458,858)
Proceeds from disposition of tangible capital assets	2,648	-
	(721,203)	(458,858)
FINANCING ACTIVITIES		
Due from related entities	(39,959)	(47,200)
Due to related entities	1,365,316	641,309
Principal repayment on long-term debt	(77,797)	(63,940)
Proceed from long-term debt	91,042	317,718
Promissory notes	-	13,200,000
Note receivable	359,382	(13,750,340)
Principal repayment on promissory notes	(397,156)	(164,567)
Temporary investments	299,410	1,007,840
	1,600,238	1,140,820
INCREASE IN CASH AND CASH EQUIVALENTS	2,076,894	116,768
CASH AND CASH EQUIVALENTS, BEGINNING OF YEAR	555,340	438,572
CASH AND CASH EQUIVALENTS, END OF YEAR	2,632,234	555,340

The accompanying notes are an integral part of the financial statements

MALAHAT FIRST NATION

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS MARCH 31, 2017

1.i NATURE OF OPERATIONS

Malahat First Nation (the "First Nation") is an Indian Band as defined by the Indian Act. The First Nation manages various programs offered by Indigenous and Northern Affairs Canada (INAC) and other funding agents to benefit its members. The First Nation also represents its members in the negotiation of treaty settlements and specific land claims.

1.ii BASIS OF PRESENTATION AND SIGNIFICANT ACCOUNTING POLICIES

These financial statements are prepared in accordance with Canadian public sector accounting standards for governments as recommended by the Public Sector Accounting Board of CPA Canada.

(a) Reporting Entity

The First Nation reporting entity includes the Malahat First Nation government and all related entities that are controlled by the First Nation.

(b) Principles of Consolidation

The consolidated financial statements reflect the assets, liabilities, revenues, and expenses of entities which are controlled by the First Nation. Controlled entities are consolidated, except for government business enterprises and government business partnerships, which are accounted for by the modified equity method. All inter-fund and inter-organization transactions and balances have been eliminated on consolidation.

The First Nation records its investments in government business enterprises (GBE) and government business partnerships (GBP) on a modified equity basis. Under the modified equity basis, the GBE's and GBP's accounting policies are not adjusted to conform with those of the First Nation and inter-entity transactions and balances are not eliminated. The First Nation recognizes its equity interest in the annual earnings or loss of the GBE's and GBP's in its consolidated statement of operations with a corresponding increase or decrease in its investment asset account. Any dividends or other cash distributions that the First Nation may receive from the GBE's and GBP's will be reflected as deductions in the investment asset account.

Entities consolidated in Malahat First Nation's financial statements include:

1. Kwunew Kwasun Cultural Society

Entities accounted for on a modified equity basis include:

2. Malahat Aquaculture Ltd. - 100% interest
3. Malahat Construction Ltd. - 100% interest
4. MNQM Contracting Ltd. - 51% interest
5. Malahat Economic Development Ltd. - 100% interest
6. Malahat Forestry (2012) Ltd. - 100% interest
1. Malahat Forestry Services Inc. - 100% interest
2. Malahat Investment Corporation - 100% interest
3. Malahat Land Corporation Ltd. - 100% interest (inactive)
4. Malahat Nation Land Corporation. - 100% interest
5. Malahat Tenure Holding Ltd. - 100% interest
6. Salish Strait Seafoods Ltd. - 20% interest
7. Malahat Aquaculture Limited Partnership - 99.99% interest (inactive)
8. Malahat Construction Limited Partnership - 99.99% interest
9. Malahat Forestry (2012) Limited Partnership - 99.99% interest
10. Malahat Land Development Limited Partnership - 99.99% interest (inactive)
11. Malahat Tenure Holding Limited Partnership - 99.99% interest (inactive)

MALAHAT FIRST NATION

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS MARCH 31, 2017

BASIS OF PRESENTATION AND SIGNIFICANT ACCOUNTING POLICIES (continued)

(b) Cash and Cash Equivalents

Cash and cash equivalents include cash on hand, balances with banks net of bank overdrafts and term deposits having a maturity of three months or less at acquisition which are held for the purpose of meeting short-term cash commitments.

(c) Note Receivable

Note receivable is recorded at cost less any amount for valuation allowance. Valuation allowances are made when collection is in doubt as assessed by management. Loans are reviewed on an annual basis by management. Interest income is accrued on loans receivable to the extent it is deemed collectable.

(d) Trust Funds

Trust funds are included as revenue in these statements only to the extent they have been received from the First Nation's trust funds. The trust funds arise from monies derived from capital or revenue sources as outlined in Section 62 of the Indian Act. These funds are held in trust in the Consolidated Revenue Fund of the Government of Canada and are subject to audit by the Office of the Auditor General of Canada. The management of these funds is primarily governed by Sections 63 to 69 of the Indian Act.

(e) Deferred Revenue

Under the terms of the contribution agreement between the First Nation, INAC and certain other agencies, the First Nation may be liable to repay any contributed funds either not expended or not expended in accordance with the agreement. On the other hand, any deficit, supported by claims eligible for reimbursement under the terms and conditions of the funding agreements, may be reimbursed by the contributor subject to the program's terms and conditions. The First Nation has recorded all known unexpended contribution funds as deferred revenue and/or accounts payable.

(f) Long-term Debt

Loan proceeds related to the financing of tangible capital assets are recorded as revenue in the appropriate fund. The loan amount is also recorded as a liability on the Statement of Financial Position and as a reduction in the Tangible Capital Asset Fund.

Debt payments, including principal and interest, are charged to the fund to which they relate. Principal reductions are reflected as a reduction in the liability with an offsetting increase in the Tangible Capital Assets Fund.

MALAHAT FIRST NATION

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS MARCH 31, 2017

BASIS OF PRESENTATION AND SIGNIFICANT ACCOUNTING POLICIES (continued)

(g) Tangible Capital Assets

Tangible capital assets are recorded at cost, which includes amounts that are directly related to the acquisition, design, construction, development, improvement or betterment of the assets. Cost includes overhead directly attributable to construction and development, as well as interest costs that are directly attributable to the acquisition or construction of the asset.

Leases that transfer substantially all the benefits and risks of ownership to the lessee are recorded as capital leases. Accordingly, at the inception of the leases, the tangible capital asset and related lease obligations are recorded at an amount equal to the present value of future lease payments discounted at the lower of the interest rate inherent in the lease contracts and Malahat First Nation's incremental cost of borrowing.

Except for assets related to CMHC Housing, which are amortized at a rate equivalent to the annual principal reduction in the related long-term debt, as required by the operating agreement with CMHC, amortization is recorded as a reduction to the Tangible Capital Assets Fund and is provided for using the following methods at rates designed to amortize over the estimated useful life of the assets as follows:

Buildings	20 years Straight line
Automotive equipment	5 years Straight line
Equipment	5 years Straight line
Canoes	15 % Declining balance
Infrastructure	20 years Straight line
Marineside development	20 years Straight line
Culture Centre	20 years Straight line
Boat	5 years Straight line

Tangible capital assets are written down when conditions indicate that they no longer contribute to the First Nation's ability to provide goods and services, or when the value of future economic benefits associated with the tangible capital assets are less than their net book value. The net write-downs are accounted for as expenses in the statement of operations.

Contributed tangible capital assets are recorded into revenues at their fair value on the date of donation, except in circumstances where fair value cannot be reasonably determined, in which case they are recognized at nominal value. Transfers of tangible capital assets from related parties are recorded at carrying value.

Certain assets which have historical or cultural value, including works of art, historical documents and historical and cultural artifacts, are not recognized as tangible capital assets. Assets under construction are not amortized until the asset is available to be put into service.

MALAHAT FIRST NATION

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS MARCH 31, 2017

BASIS OF PRESENTATION AND SIGNIFICANT ACCOUNTING POLICIES (continued)

(h) Revenue Recognition

Government Funding

The First Nation recognizes a government transfer as revenue when the transfer is authorized and all eligibility criteria, if any, have been met. A government transfer with stipulations giving rise to an obligation that meets the definition of a liability is recognized as a liability. In such circumstances, the First Nation recognizes revenue as the liability is settled. Transfers of non-depreciable assets are recognized in revenue when received or receivable.

First Nation Capital and Revenue Trust Funds

The First Nation recognizes revenues of the Capital and Revenue Trust Fund at the time funds are contributed from the accounts held in Ottawa. Interest revenue is recognized when earned.

Housing Rental Income

Rental revenue is recorded in the year it is earned. At the end of each year management evaluates whether rent revenue is collectible and records a bad debt expense and allowance for doubtful accounts for those amounts designated as unlikely to be collected.

Own Source Revenue

Revenues are recognized in the period in which the transactions or events occurred that gave rise to the revenues. All revenues are recorded on an accrual basis, except when the accruals cannot be determined with a reasonable degree of certainty or when their estimation is impracticable.

Contributions from other sources are deferred when restrictions are placed on their use by the contributor, and are recognized as revenue when used for the specific purpose.

Revenue related to fees or services received in advance of the fee being earned or the service is performed is deferred and recognized when the fee is earned or service performed.

MALAHAT FIRST NATION

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS MARCH 31, 2017

BASIS OF PRESENTATION AND SIGNIFICANT ACCOUNTING POLICIES (continued)

(i) Financial Instruments

Financial instruments are initially classified upon initial recognition as a fair value or an amortized cost instrument. The fair value category includes investments in equity instruments that are quoted in an active market, and any other items elected by the First Nation to be recorded at fair value. All other financial instruments, including financial instruments with related parties for which fair value cannot be estimated, are recorded at amortized cost. Transaction costs directly attributable to the acquisition or issue of a financial instrument are added to the amortized cost or expensed if related to instruments recorded on a fair value basis. The effective interest rate method is used to measure interest for financial instruments recorded at amortized cost.

All financial assets are assessed for impairment on an annual basis. When a decline is determined to be other than temporary, the amount of the loss, calculated as the excess of the net recoverable amount of the asset and its carrying value, is reported in the statement of operations and any unrealized gain is adjusted through the statement of remeasurement gains and losses.

When the asset is sold, the unrealized gains and losses previously recognized in the statement of remeasurement gains and losses are reversed and recognized in the statement of operations.

The First Nation's financial instruments consist of cash and cash equivalents, temporary investments, accounts receivable, note receivable, due from and to related entities, accounts payable and accrued liabilities, promissory note and long-term debt. Unless otherwise noted, it is management's opinion that the First Nation is not exposed to significant interest, credit or currency risks arising from these financial instruments and the fair value of these financial instruments approximates their carry values.

(j) Measurement Uncertainty

In preparing the consolidated financial statements for the First Nation, management is required to make estimates and assumptions that affect the reported amounts of assets and liabilities, and disclosure of contingent assets and liabilities, at the date of the consolidated financial statements and the reported amounts of revenue and expenses during the period. Items requiring the use of significant estimates include allowance for doubtful accounts and amortization. Actual results could differ from these estimates.

(k) Segments

The First Nation conducts its business through a number of operating segments. These operating segments are established by senior management to facilitate the achievement of the First Nation's long-term objectives, to aid in resource allocation decisions, and to assess operational performance. For each reported segment, revenue and expenses represent both amounts that are directly attributable to the segment and amounts that are allocated on a reasonable basis. The accounting policies used in these segments are consistent with those followed in the preparation of the consolidated financial statements.

MALAHAT FIRST NATION

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS MARCH 31, 2017

2. CASH AND CASH EQUIVALENTS

	2017	2016
	\$	\$
Externally restricted:		
Operating reserve	31,744	23,686
Replacement reserve	59,896	72,146
Endowment fund	48,783	43,961
	140,423	139,793
Unrestricted:		
Cash and banks	2,491,811	415,547
Total Cash and Cash Equivalents	2,632,234	555,340

Externally restricted - Operating Reserve

Under the terms of the agreements with CMHC, excess revenues over expenditures for the Post 1996 phases may be retained in an Operating Reserve. These funds, along with accumulated interest, must be held in a separate bank account and/or invested only in accounts or instruments insured by the Canada Deposit Insurance Corporation or as may otherwise be approved by CMHC from time to time. The funds may be used to offset future deficits. Withdrawals are credited to interest first and then principal. At the year end, the reserve was over funded by \$4,891 (2016 under funded by \$5,032).

Externally restricted - Replacement Reserve

Under the terms of the agreement with Canada Mortgage and Housing Corporation, the replacement reserve account is to be credited in the amount of \$11,040 (2016: \$11,040) annually. These funds, along with accumulated interest, must be held in a separate bank account and/or invested only in accounts or instruments insured by the Canada Deposit Insurance Corporation or as may otherwise be approved by CMHC from time to time. The funds in the account may only be used as approved by CMHC. At year end, the reserve was over funded by \$17,063 (2016: under funded by \$5,006).

3. TEMPORARY INVESTMENTS

The temporary investments consist of guarantee investment certificates (GIC) maturing within 12 months.

	2017	2016
	\$	\$
GICs	314,208	311,869
GICs held as collateral for long-term debt	44,686	346,435
	358,894	658,304

MALAHAT FIRST NATION

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS MARCH 31, 2017

4. ACCOUNTS RECEIVABLE

	2017	2016
	\$	\$
Due from members		
Other	8,788	5,377
Due from Government and other Government Organizations:		
INAC	-	126,000
CMHC	84,496	3,699
GST Public Service Bodies' Rebate	12,123	10,154
Fisheries and Oceans Canada	6,000	-
Cowichan Regional District	31,250	-
Province of BC	17,500	17,500
First Nation Finance Authority - Debt Reserve Fund	832,643	825,613
Natural Resources Canada	6,750	-
Transport Canada	6,000	-
	996,762	982,966
Due from others:		
Others	541,282	452,689
	1,546,832	1,441,032
Allowance for doubtful accounts	(5,375)	(5,375)
	1,541,457	1,435,657

5. NOTE RECEIVABLE

The note to Malahat Investment Corporation, an indirect wholly owned government business enterprise, is due on demand. The note is payable 30 days after demand and bears interest at 7% (2016: 3.1% up to December 31, 2016) per annum compounded monthly. There are no fixed terms of principal repayment. Interest shall become due and be paid on the first day of each and every month after the date hereof until the whole of the principal balance of advances made hereunder is paid.

Total interest expense recorded for the year is \$587,007 (2016: \$362,130).

	2017	2016
	\$	\$
Note receivable	15,023,215	15,415,432
Interest receivable	139,686	106,850
	15,162,901	15,522,282

MALAHAT FIRST NATION

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS MARCH 31, 2017

6. DUE FROM RELATED ENTITIES

	2017	2016
	\$	\$
Malahat Aquaculture Limited Partnership	725	-
Malahat Aquaculture Ltd.	2,522	1,797
Malahat Business Trust	1,450	-
Malahat Construction Limited Partnership	174,914	173,614
Malahat Construction Ltd.	1,735	1,010
Malahat Economic Development Ltd.	18,619	10,083
Malahat Forest (2012) Limited Partnership	11,309	-
Malahat Forestry Ltd.	4,555	2,513
Malahat Land Development Limited Partnership	725	-
Malahat Nation Land Corporation	16,272	7,675
Malahat Tenure Holding Ltd.	10,529	6,704
	243,355	203,396

7. INVESTMENT IN GOVERNMENT BUSINESS ENTERPRISES

The Malahat First Nation's investment in government business enterprises consist of the following:

	2017	2016
	\$	\$
Malahat Investment Corporation	(63,000)	(189,916)
Malahat Aquaculture Ltd.	(1,797)	(1,797)
Malahat Construction Ltd.	1,019	1,019
Malahat Economic Development Ltd.	(8,557)	(8,557)
Malahat Forestry (2012) Ltd.	(1,328)	(1,328)
Malahat Forestry Services Inc.	2	2
Malahat Land Corporation	1	1
Malahat Nation Land Corporation	(7,659)	(7,659)
Malahat Tenure Holding Ltd.	(5,704)	(5,704)
Salish Strait Seafoods Ltd.	136,406	136,406
	49,383	(77,533)

MALAHAT FIRST NATION

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS MARCH 31, 2017

7. INVESTMENT IN GOVERNMENT BUSINESS ENTERPRISES, continued

As of the date of the Independent Auditor's Report, the financial information for all investments, except for Malahat Investment Corporation, is not available. The financial information of Malahat Investment Corporation for the year ended March 31, 2017 is summarized as below:

	Total Assets	Total Liabilities	2017 Equity	2016 Equity
	\$	\$	\$	\$
Malahat Investment Corporation	43,038,362	43,101,360	(62,998)	(189,914)

	Total Revenue	Total Expenses	2017 Net Income (Loss)	2016 Net Income (Loss)
	\$	\$	\$	\$
Malahat Investment Corporation	2,724,617	2,188,308	536,309	(184,655)

For the year ended March 31, 2017, Malahat Investment Corporation declared \$409,393 in dividend on the Class B Common Non-Voting shares flowing through from Malahat Nation Business Trust to Malahat First Nation. These shares are held by the trustee of the Malahat Nation Business Trust on behalf of Malahat First Nation.

8. INVESTMENT IN GOVERNMENT BUSINESS PARTNERSHIP

The Malahat First Nation's investment in government business partnerships consist of the following:

	2017	2016
	\$	\$
Malahat Forestry (2012) Limited Partnership (MFLP)	41,976	41,976
Malahat Construction Limited Partnership (MCLP)	(83,994)	(83,994)
	(42,018)	(42,018)

As of the date of the Independent Auditor's Report, the financial information is not available for these Limited Partnerships.

MALAHAT FIRST NATION

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS MARCH 31, 2017

9. TRUST FUNDS HELD BY FEDERAL GOVERNMENT

	2017	2016
	\$	\$
Revenue funds held in trust	5,101	4,844
Capital funds held in trust	485,340	485,340
	490,441	490,184

	2017 Revenue	2017 Capital	2017 Total	2016 Total
	\$	\$	\$	\$
Surplus, beginning of year	4,844	485,340	490,184	634,709
Withdrawals	(9,710)	-	(9,710)	(155,843)
Interest earnings	9,220	-	9,220	10,573
BC Special	747	-	747	745
Surplus, end of year	5,101	485,340	490,441	490,184

10. ACCOUNTS PAYABLE AND ACCRUED LIABILITIES

	2017	2016
	\$	\$
Accounts payable and accrued liabilities	495,060	428,863
Due to INAC	-	77,671
Government remittances	36,304	21,847
Vacation payable	27,899	11,915
	559,263	540,296

The vacation is comprised of the vacation that employees are deferring to future years. Employees have either earned the benefits or are entitled to these benefits within the next budgetary year.

The Malahat First Nation, (the "First Nation") provides a defined contribution plan for eligible members of its staff. Members are required to contribute 5% of their salary and the First Nation is required to match their contribution of 5%. The amount of the retirement benefit to be received by the employees will be the amount of the retirement annuity that could be purchased based on the member's share of the pension plan at the time of the member's withdrawal from the plan. The First Nation contributed during the year \$49,536 (2016: \$39,008) for retirement benefits. The First Nation does not have any other obligations with regards to the pension plan as at March 31, 2017.

MALAHAT FIRST NATION

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS MARCH 31, 2017

11. DEFERRED REVENUE

Deferred revenue represents monies received of which the funds are restricted for specific projects or programs and of which the expenses have not yet been incurred.

	2017	2016
	\$	\$
INAC	921,800	620,483
Others	361,396	259,858
	1,283,196	880,341

12. DUE TO RELATED ENTITIES

	2017	2016
	\$	\$
Malahat Forestry (2012) Ltd.	17,653	12,371
Malahat Forestry (2012) Limited Partnership	595,890	197,040
Malahat Investment Corporation	1,605,453	644,269
	2,218,996	853,680

Advances due to related entities are unsecured and without interest or any fixed terms of repayment.

MALAHAT FIRST NATION

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS MARCH 31, 2017

13. LONG-TERM DEBT

	2017	2016
	\$	\$
All Nations Trust Company - repayable at \$2,087 per month including interest at 1.14% per annum. The loan will be renewed on June 1, 2021 and will mature in February 2026. It is secured by a first mortgage on housing units and a Ministerial Guarantee.	212,279	234,367
Loan advance from Peace Hill Trust has a 15 year term, maturing June 1, 2028. The loan is repayable at \$2,065 per month including interest at 5.50% per annum. The loan is guaranteed by the First Nation Market Housing Fund with a collateral of a GIC for the amount of \$24,800.	211,514	223,596
All Nations Trust Company - repayable at \$2,490 per month including interest at 1.68% per annum. The loan will be renewed on April 1, 2018 and will mature in April 2038. It is secured by a first mortgage on housing units and a Ministerial Guarantee.	530,021	550,856
Loan advance from Peace Hill Trust has a 5 year term, maturing November 1, 2020. The loan is repayable at \$1,619 per month including interest at 3.95% per annum. The loan is guaranteed by the First Nation Market Housing Fund with a collateral of a GIC for the amount of \$24,800.	295,481	303,444
Loan advance from CMHC On-Reserve Residential Rehabilitation Assistance Program will be earned by the First Nation over 2 years at the rate of \$193 per month beginning on April 1, 2015. The loan was fully forgiven in the year with a nominal value remaining at year-end.	-	2,320
Loan advance from CMHC On-Reserve Residential Rehabilitation Assistance Program will be earned by the First Nation over 3 years at the rate of \$235 per month beginning on April 1, 2015. The unearned forgivable loan plus interest at 5.25% per annum will become due and payable if the First Nation sells or transfers the property before the maturity date on April 1, 2018.	2,816	5,632
Loan advance from CMHC On-Reserve Residential Rehabilitation Assistance Program will be earned by the First Nation over 2 years at the rate of \$622 per month beginning on August 1, 2016. The unearned forgivable loan plus interest at 5.25% per annum will become due and payable if the First Nation sells or transfers the property before the maturity date on August 1, 2018.	9,951	-
Loan advance from CMHC On-Reserve Residential Rehabilitation Assistance Program will be earned by the First Nation over 3 years at the rate of \$585 per month beginning on April 1, 2017. The unearned forgivable loan plus interest at 3.375% per annum will become due and payable if the First Nation sells or transfers the property before the maturity date on April 1, 2020.	21,071	-

MALAHAT FIRST NATION

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS MARCH 31, 2017

13. LONG-TERM DEBT, continued

	2017 \$	2016 \$
Loan advance from CMHC On-Reserve Residential Rehabilitation Assistance Program will be earned by the First Nation over 2 years at the rate of \$590 per month beginning on August 1, 2016. The unearned forgivable loan plus interest at 5.25% per annum will become due and payable if the First Nation sells or transfers the property before the maturity date on August 1, 2018.	9,436	-
Loan advance from CMHC On-Reserve Residential Rehabilitation Assistance Program will be earned by the First Nation over 3 years at the rate of \$507 per month beginning on April 1, 2017. The unearned forgivable loan plus interest at 3.375% per annum will become due and payable if the First Nation sells or transfers the property before the maturity date on April 1, 2020.	18,250	-
Loan advance from CMHC On-Reserve Residential Rehabilitation Assistance Program. As of March 31, 2017, the project is still in progress.	12,742	-
Loan advance from CMHC On-Reserve Home Adaptions for Seniors Independence Program will be earned by the First Nation in full after 6 months beginning on December 2, 2016. The unearned forgivable loan will become due and payable if the First Nation sells or transfers the property before the maturity date on May 2, 2017.	9,900	-
	1,333,461	1,320,215
Principal portion of long-term debt due within the next five years:		
2018	118,389	
2019	84,881	
2020	81,793	
2021	336,813	
2022 and thereafter	711,585	
	1,333,461	

MALAHAT FIRST NATION

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS MARCH 31, 2017

14. PROMISSORY NOTES

The promissory notes are provided by First Nation Finance Authority as follow:

	2017	2016
	\$	\$
The note is due on demand without principal repayment and interest is payable monthly at 2.60% per annum. The note was rolled into a termed note during the year.	-	8,400,000
The note has a 25 year term, maturing on June 24, 2024. The note is repayable at \$18,285 principal per month with interest payable monthly at 2.985% per annum.	7,611,073	7,835,433
The note has a 25 year term, maturing on June 24, 2024. The note is repayable at \$19,200 principal per month with interest payable monthly at 2.900% per annum.	8,227,204	-
	15,838,277	16,235,433

During the year, the Malahat First Nation paid \$474,202 (2016: \$348,548) of interest on these promissory notes.

Principal portion of promissory notes due within the next five years:

2018	449,820
2019	449,820
2020	449,820
2021	449,820
2022 and thereafter	14,038,997

15. ACCUMULATED SURPLUS

	2017	2016
	\$	\$
Restricted		
Ottawa Trust Fund	490,441	490,184
Housing Reserves	69,686	105,870
	560,127	596,054
Unrestricted		
Net invested in tangible capital assets	2,235,967	1,746,235
Operations	10,190	(253,318)
	2,246,157	1,492,917
	2,806,284	2,088,971

MALAHAT FIRST NATION

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

MARCH 31, 2017

16. TANGIBLE CAPITAL ASSETS

	<u>2017</u> <u>Cost</u>			<u>2017</u> <u>Accumulated amortization</u>					
	Balance, beginning of year	Additions	Disposals	Balance, end of year	Balance, beginning of year	Amortization	Accumulated amortization on disposals	Balance, end of year	2017 net book value
	\$	\$	\$	\$	\$	\$	\$	\$	\$
Buildings	1,626,453	-	-	1,626,453	339,918	81,323	-	421,241	1,205,212
Automotive equipment	11,000	72,575	(11,000)	72,575	9,900	7,257	(9,900)	7,257	65,318
Equipment	30,682	31,432	-	62,114	29,357	4,468	-	33,825	28,289
Canoes	13,025	-	-	13,025	10,533	374	-	10,907	2,118
Infrastructure	523,926	34,480	-	558,406	232,174	27,058	-	259,232	299,174
Social housing	1,359,556	-	-	1,359,556	501,083	42,922	-	544,005	815,551
Construction in progress	-	381,660	-	381,660	-	-	-	-	381,660
Marineside development	70,678	-	-	70,678	5,301	3,534	-	8,835	61,843
Culture Centre	604,081	-	-	604,081	44,687	30,204	-	74,891	529,190
Boat	-	203,704	-	203,704	-	20,370	-	20,370	183,334
	4,239,401	723,851	(11,000)	4,952,252	1,172,953	217,510	(9,900)	1,380,563	3,571,689

	<u>2016</u> <u>Cost</u>			<u>2016</u> <u>Accumulated amortization</u>					
	Balance, beginning of year	Additions	Disposals	Balance, end of year	Balance, beginning of year	Amortization	Accumulated amortization on disposals	Balance, end of year	2016 Net book value
	\$	\$	\$	\$	\$	\$	\$	\$	\$
Buildings	1,077,859	548,594	-	1,626,453	285,531	54,387	-	339,918	1,286,535
Automotive equipment	11,000	-	-	11,000	7,700	2,200	-	9,900	1,100
Equipment	29,209	1,473	-	30,682	29,209	148	-	29,357	1,325
Canoes	13,025	-	-	13,025	10,094	439	-	10,533	2,492
Infrastructure	523,926	-	-	523,926	205,978	26,196	-	232,174	291,752
Social housing	1,359,556	-	-	1,359,556	460,113	40,970	-	501,083	858,473
Construction in progress	103,592	(103,592)	-	-	-	-	-	-	-
Marineside development	70,678	-	-	70,678	1,767	3,534	-	5,301	65,377
Culture Centre	591,698	12,383	-	604,081	14,792	29,895	-	44,687	559,394
	3,780,543	458,858	-	4,239,401	1,015,184	157,769	-	1,172,953	3,066,448

MALAHAT FIRST NATION

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS MARCH 31, 2017

17. BUDGETED FIGURES

Budgeted figures have been provided for comparison purposes and have been derived from the estimates approved by the management.

18. EXPENSES BY OBJECT

	2017 Budget	2017 Actual	2016 Actual
	\$	\$	\$
Amortization	-	217,511	157,768
Communications and utilities	6,000	13,731	21,006
Construction costs	15,742	113,158	87,087
Education related expenses	43,750	337,849	279,021
Honorariums	-	750	-
Insurance	31,500	60,176	40,015
Interest and bank charges	3,000	516,737	385,144
Other expense	46,444	616,802	458,444
Per capita distribution	-	30,000	28,500
Professional development	17,600	29,364	24,266
Professional fees	271,340	353,711	643,968
Program delivery	2,000	24,986	45,237
Repairs and maintenance	21,363	142,351	129,461
Social assistance programs delivery	184,766	135,190	148,838
Travel	30,500	46,969	99,712
Wages and benefits	797,233	1,972,124	1,472,593
		4,611,409	4,021,060

19. RELATED PARTY TRANSACTIONS

During the year, the Malahat First Nation charged Malahat Investment Corporation \$408,693 (2016: \$53,100) in management and accounting services provided and \$587,007 (2016, \$362,130) in interest on an intercompany loan. Malahat Investment Corporation donated \$5,000 to the Gala event. In 2006, Malahat Investment Corporation contributed \$60,000 for the purpose of Community Distribution. These transactions are in the normal course of operations and are measured at the exchange value which approximates the arm's length equivalent value for services rendered.

20. ECONOMIC DEPENDENCE

The Malahat First Nation receives a significant portion of its revenue pursuant to a funding agreement with INAC. The nature and extent of this revenue is of such significance that the Malahat First Nation is economically dependent on this source of revenue.

MALAHAT FIRST NATION

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

MARCH 31, 2017

21. RESTATEMENT OF COMPARATIVE FIGURES

The comparative figures had been restated to reflect the following adjustments:

- a) Accounts payable and accrued liabilities had been adjusted to reduce over accrual of interest for long-term debt of \$24,781 and increase of \$34,662 of additional tuition expense payment for school district. As a result, the net effects on accounts payable and accrued liabilities increased by \$9,881.
- b) Investment in government business enterprises had been adjusted to include the share of income and dividend declared from Salish Straits Seafoods Ltd which was not available in the 2016 fiscal year. As a result, the accounts receivable has been increased by \$10,000, the net income from government business enterprises has been reduced by \$35,422 and the investment in government business enterprises has been reduced by \$45,422.
- c) Deferred revenue had been adjusted to account for the additional expenditure for the Sanitary Pump project of \$4,867 as well as the additional tuition expenses mentioned above of \$34,662. As a result, the deferred revenue and deferred revenue - current year has been decreased by \$39,529.

The above adjustments are summarized as follows:

	Originally Stated	Changes	Restated Amounts
	\$	\$	\$
Accounts receivable	1,425,657	10,000	1,435,657
Investment in Government Business Enterprises	(32,111)	(45,422)	(77,533)
Accounts payable and accrued liabilities	530,415	9,881	540,296
Deferred revenue	919,870	(39,529)	880,341
Net income from Government Business Enterprises	(197,771)	(35,422)	(233,193)
Deferred revenue - current year	(919,870)	39,529	(880,341)
Interest and bank charges	409,925	(24,781)	385,144
Education related expenses	244,359	34,662	279,021

MALAHAT FIRST NATION

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS MARCH 31, 2017

22. CONTINGENCIES

The following contingencies existed as at March 31, 2017:

- a) INAC provides Ministerial Guarantees for loans to the Malahat First Nation and individual Band members in the amount of \$1,061,742 with an outstanding balance of \$742,300.
- b) Royal Bank of Canada credit facilities to qualified members of the Malahat First Nation with total advances not to exceed \$750,000. Funding under this program is restricted to the purchase, construction or improvement of housing on the Reserve or to refinance loans advanced by another financial institution for that purpose. The Malahat First Nation is required to provide a separate guarantee for each qualified borrower. As at the date of the Independent Auditor's Report, the Malahat First Nation had provided a guarantee for one loan with a balance of \$209,786.
- c) An action against the Malahat First Nation has been brought by Pacific Coast Forest Management and others for the amount of \$329,760 plus interest and costs. The Malahat First Nation has defended this action and has commenced a third party claim against the Government of Canada in respect of this matter. The likelihood and potential amount of loss associated with this claim is unknown. This claim commenced on July 27, 2010 and no steps have been taken since an Examination for Discovery on March 6, 2013.
- d) On March 18, 2016 and April 22, 2016, Notices of Civic Claim had been filed against the Malahat Investment Corporation ("Company") by former employees for wrongful dismissal. The Company filed responds to these actions on June 3, 2016. These actions are in the document production phase. We are unable to determine any subsequent actions or costs that may affect the Company at the date of the audit report.

MALAHAT FIRST NATION

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

MARCH 31, 2017

23. SEGMENTED INFORMATION

The Malahat First Nation provides a wide variety of services to its members. For segment disclosure, these services are grouped and reported under service areas that are responsible for providing such services.

For each reported segment, revenue and expenses represent both amounts that are directly attributable to the segment and amounts that are allocated on a reasonable basis.

The accounting policies used in these segments are consistent with those in the preparation of the consolidated financial statements as follows:

	Indian Government Services			Treaty Negotiation			Health		
	2017 Budget	2017 Actual	2016 Actual	2017 Budget	2017 Actual	2016 Actual	2017 Budget	2017 Actual	2016 Actual
	\$	\$	\$	\$	\$	\$	\$	\$	\$
Revenues									
INAC	349,281	349,281	353,847	-	-	-	-	-	-
Canada Mortgage and Housing Corporation	-	(91,043)	(9,417)	-	-	-	-	-	-
First Nation Health Authority	-	-	-	-	-	-	8,343	8,343	7,908
Funding from First Nation Organizations	15,000	15,000	25,000	-	-	-	-	-	-
Other revenue	-	487,291	(140,917)	-	-	-	13,000	-	-
Total revenue	364,281	760,529	228,513	-	-	-	21,343	8,343	7,908
Expenses									
Wages and benefits	497,359	837,406	814,933	-	-	-	8,343	7,928	7,513
Professional fees	101,000	156,682	306,762	-	-	-	-	-	-
Travel	24,000	23,574	74,887	-	-	-	-	231	-
Repairs and maintenance	-	980	489	-	-	-	-	-	-
Interest and bank charges	3,000	3,989	3,048	-	-	-	-	-	-
Per capita distribution	-	30,000	28,500	-	-	-	-	-	-
Other expenses	92,000	(409,118)	(153,713)	-	-	-	-	184	395
Total expenses	717,359	643,513	1,074,906	-	-	-	8,343	8,343	7,908
Annual surplus (deficit)	(353,078)	117,016	(846,393)	-	-	-	13,000	-	-

MALAHAT FIRST NATION

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS MARCH 31, 2017

23. SEGMENTED INFORMATION, continued

	2017 Budget	Housing 2017 Actual	2016 Actual	Education, Employment and Training			Social Development		
				2017 Budget	2017 Actual	2016 Actual	2017 Budget	2017 Actual	2016 Actual
	\$	\$	\$	\$	\$	\$	\$	\$	\$
Revenues									
INAC	139,000	139,000	126,000	449,014	449,014	381,097	221,446	221,446	230,739
Canada Mortgage and Housing Corporation	-	233,920	44,386	-	53,433	-	-	-	-
Department of Justice Canada	-	-	-	-	-	-	-	-	10,000
First Nation Health Authority	-	-	-	-	1,000	2,000	-	-	-
Province of BC	-	-	-	-	-	-	-	-	20,000
Funding from First Nation Organizations	-	-	-	96,145	188,200	114,622	-	-	-
Rental income	-	89,972	80,798	-	2,500	500	-	-	-
Other revenue	-	(26,416)	(125,999)	21,500	250,493	225,391	-	(33,495)	(50,563)
Total revenue	139,000	436,476	125,185	566,659	944,640	723,610	221,446	187,951	210,176
Expenses									
Wages and benefits	-	215,068	10,556	152,913	385,803	286,917	95,569	30,545	142,576
Professional fees	-	10,262	6,193	-	12,392	49,182	-	3,000	9,110
Social assistance programs delivery	-	-	-	-	-	-	184,766	135,190	148,838
Travel	-	8	6	6,500	7,918	13,879	-	2,774	9,054
Repairs and maintenance	-	47,760	22,780	-	141	973	-	-	425
Education related expenses	-	-	-	43,750	337,849	279,021	-	-	-
Interest and bank charges	-	36,705	27,731	-	1,760	2,562	-	-	-
Other expenses	-	693,970	119,653	15,638	130,259	125,728	-	18,337	24,538
Total expenses	-	1,003,773	186,919	218,801	876,122	758,262	280,335	189,846	334,541
Annual surplus (deficit)	139,000	(567,297)	(61,734)	347,858	68,518	(34,652)	(58,889)	(1,895)	(124,365)

MALAHAT FIRST NATION

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS MARCH 31, 2017

23. SEGMENTED INFORMATION, continued

	Economic Development			Community Infrastructure			Ottawa Trust Fund		
	2017 Budget	2017 Actual	2016 Actual	2017 Budget	2017 Actual	2016 Actual	2017 Budget	2017 Actual	2016 Actual
	\$	\$	\$	\$	\$	\$	\$	\$	\$
Revenues									
INAC	294,378	294,378	294,239	386,052	386,052	334,938	-	-	-
Fisheries and Oceans Canada	-	50,880	40,392	-	-	-	-	-	-
Province of BC	185,000	263,784	35,000	-	5,000	-	-	-	-
Net income from Government Business Partnerships	-	-	-	-	-	133,800	-	-	-
Other revenue	81,500	2,025,006	987,829	-	(55,362)	(96,245)	-	9,966	11,318
Total revenue	560,878	2,634,048	1,357,460	386,052	335,690	372,493	-	9,966	11,318
Expenses									
Wages and benefits	35,000	380,135	121,399	8,049	115,238	88,698	-	-	-
Professional fees	2,000	26,033	130,399	168,340	145,342	142,322	-	-	-
Travel	-	9,805	766	-	2,658	1,120	-	-	-
Repairs and maintenance	-	4,690	1,885	21,363	88,117	97,070	-	-	-
Interest and bank charges	-	474,252	351,789	-	31	14	-	-	-
Other expenses	-	497,029	521,043	11,648	114,673	40,337	-	9,709	155,843
Total expenses	37,000	1,391,944	1,127,281	209,400	466,059	369,561	-	9,709	155,843
Annual surplus (deficit)	523,878	1,242,104	230,179	176,652	(130,369)	2,932	-	257	(144,525)

MALAHAT FIRST NATION

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS MARCH 31, 2017

23. SEGMENTED INFORMATION, continued

	Housing Reserves			Consolidated totals		
	2017 Budget	2017 Actual	2016 Actual	2017 Budget	2017 Actual	2016 Actual
	\$	\$	\$	\$	\$	\$
Revenues						
INAC	-	-	-	1,839,171	1,839,171	1,720,860
Canada Mortgage and Housing Corporation	-	-	-	-	196,310	34,969
Department of Justice Canada	-	-	-	-	-	10,000
Fisheries and Oceans Canada	-	-	-	-	50,880	40,392
First Nation Health Authority	-	-	-	8,343	9,343	9,908
Province of BC	-	-	-	185,000	268,784	55,000
Funding from First Nation Organizations	-	-	-	111,145	203,200	273,422
Rental income	-	-	-	-	92,472	81,298
Other revenue	-	11,079	11,093	116,000	2,668,562	821,907
Total revenue	-	11,079	11,093	2,259,659	5,328,722	3,047,756
Expenses						
Wages and benefits	-	-	-	797,233	1,972,123	1,472,592
Professional fees	-	-	-	271,340	353,711	643,968
Social assistance programs delivery	-	-	-	184,766	135,190	148,838
Travel	-	-	-	30,500	46,968	99,712
Repairs and maintenance	-	662	5,839	21,363	142,350	129,461
Withdrawal	-	-	-	43,750	337,849	279,021
Interest and bank charges	-	-	-	3,000	516,737	385,144
Per capita distribution	-	-	-	-	30,000	28,500
Other expenses	-	21,438	-	119,286	1,076,481	833,824
Total expenses	-	22,100	5,839	1,471,238	4,611,409	4,021,060
Annual surplus (deficit)	-	(11,021)	5,254	788,421	717,313	(973,304)